



**ASX Code: IKW**

22 December 2014

Company Announcements Office  
Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

### **RENOUNCEABLE RIGHTS ISSUE**

Ikwezi Mining Limited (**ASX: IKW, Ikwezi Mining or Company**) is pleased to announce a capital raising by way of a renounceable rights issue ("Entitlement Issue" or "Offer") at an issue price of \$0.006 (0.6 cents) to eligible shareholders on the basis of 2 new fully paid shares for every 1 share held. Under the offer a maximum of 667,500,000 ordinary shares will be issued to raise up to \$4.065 million (before expenses). The issue price represents a 14.29% discount to the last traded price. A prospectus for the issue has today been lodged with ASIC and ASX.

As at the date of this announcement, the Company has no Options on issue.

The Entitlement Issue will be fully underwritten by Azure Projects Ltd. ("Underwriter"), a company registered in the Cayman Islands.

The net proceeds of the Offer will be used to provide additional working capital for the Company together with funding to establish an initial box cut and related infrastructure to allow it to commence the mining of ROM coal.

#### **Entitlements Issue Details**

The Entitlement Issue will be available to all registered holders with a registered address in Australia, New Zealand or the Turks and Caicos Islands ("Eligible Shareholders") as at the close of business on 31 December 2014 ("Record date"). In accordance with the listing rules of the ASX, Ikwezi has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia, New Zealand and the Turks and Caicos Islands and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia, New Zealand and the Turks and Caicos Islands, the Company has formed the view that it is unreasonable to extend the Rights Issue to those shareholders.

Eligible Shareholders may:

- (a) take up all of their Entitlement;
- (b) sell all of their Entitlement on ASX;
- (c) take up a proportion of their Entitlement and sell the balance on ASX;
- (d) take up a proportion of their Entitlement and allow the balance to lapse;
- (e) sell all or a proportion of their Entitlement other than on ASX; or
- (f) allow all or part of their Entitlement lapse.

Shares issued pursuant to the Rights Issue will rank equally with all shares on issue.

Ikwezi Mining Limited (incorporated in Bermuda with registered company number 45349)  
ARBN 151 258 221  
Clarendon House  
2 Church Street  
Hamilton  
HMCX Bermuda

Existing option holders will need to exercise their options and be a registered holder of shares on the Record

Date if they wish to participate in the Entitlement Issue.

The Offer is fully underwritten by the Underwriter, Azure Projects Ltd.

The Underwriter will only take up Shares not subscribed for by Shareholders under the Entitlement Issue ("Shortfall Offer").

Full details of the Entitlement Issue will be set out in the Prospectus which will be lodged by the Company with ASIC and ASX today.

The timetable for the Rights Issue is as set out in the table below:

Lodgement of Prospectus with the ASIC	22 December 2014
Lodgement of Prospectus & Appendix 3B with ASX	22 December 2014
Notice sent to Shareholders	24 December 2014
Ex date	29 December 2014
Rights start trading	29 December 2014
Record Date for determining Entitlements	31 December 2014
Prospectus sent out to Shareholders & Company announces this has been completed	6 January 2015
Rights stop trading	8 January 2015
Shares quoted on a deferred settlement basis	9 January 2015
Last day to extend Offer Closing Date	12 January 2015
Closing Date (5:00 pm WST)*	15 January 2015
ASX notified of under subscriptions	20 January 2015
Issue date/Shares entered into Shareholders' security holdings	22 January 2015
Quotation of Shares issued under the Offer*	23 January 2015

\*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

This timetable is indicative only. The Directors in conjunction with the Underwriter reserve the right to issue Shortfall Shares at their absolute discretion subject to the Listing Rules and any restrictions under any applicable law. There is no guarantee that Eligible Shareholders will receive the Shortfall Shares applied for.

#### **ABOUT IKWEZI**

*Ikwezi Mining Ltd is focused on the exploration and development of coal projects in South Africa. Ikwezi has a 70% stake in the Ntendeka Colliery and a 60% interest in the Dundee, Acorn and Assegai projects. The Ntendeka Colliery is located in the KwaZulu-Natal coal fields and is in close proximity to rail and port infrastructure.*

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**Disclaimer regarding future matters and forward-looking statements**

This announcement contains reference to certain intentions, expectations, estimates, future plans, strategy and prospects of the Company. Those intentions, expectations, estimates, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved and each of those persons expressly disclaims all liability with respect to such forward-looking information. Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects.